



RECORDATION NO. 27376 FILED

FEB 11 '08

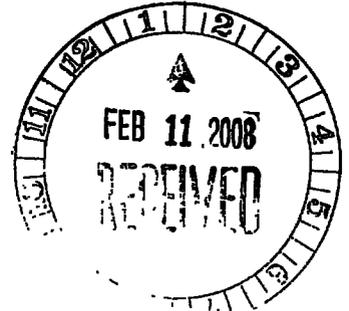
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SURFACE TRANSPORTATION BOARD

2600 South Thompson Street
P.O. Box 1234
Springdale, AR 72765-1234
Phone: (479) 756-8811
Fax: (479) 750-3782

February 4, 2008

Surface Transportation Board
Attn: Secretary
1925 K Street N.W.
Washington, D.C. 20423



Dear Secretary:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) is two (2) copies of a Memorandum of Security Agreement, dated as of January 21, 2008. Please record as a primary recordation.

The names and addresses of the parties to the enclosed document are:

Debtor: Everest Railcar Services, Inc
1391 Plaza Place, Suite C
Springdale, AR 72764

Secured Party: United Bank and Trust
2600 South Thompson
Springdale, AR 72764
Attention: Clinton Ryan

A description of the railroad equipment covered by the enclosed document is:
(14) 2500 Cubic Foot 100-Ton Gondolas identified in Exhibit A attached hereto.

Also enclosed is a check in the amount of \$35.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document.

Very truly yours,

Clinton Ryan
AVP Commercial Lending

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3-25 PM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF SECURITY AGREEMENT

THIS MEMORANDUM OF SECURITY AGREEMENT, dated as of January 21, 2008, by and among UNITED BANK AND TRUST ("Secured Party") and EVEREST RAILCAR SERVICES, INC ("Debtor"), is made with reference to the following:

1. Secured Party has agreed to make available to Borrower a loan secured under that certain Security Agreement, dated as of January 21, 2008 (the "Security Agreement"), among Secured Party and Debtor.

2. Pursuant to the Security Agreement, Debtors grant to Secured Party a security interest in all of Debtors' right, title and interest in and to: (i) the rail cars described on Exhibit A attached hereto and made a part hereof and in and against all additions, attachments, accessories and accessions to such property and all substitutions, replacements or exchanges therefore, (ii) all leases and utilization agreements with respect to such property and any and all rents and other amounts payable thereunder or in connection therewith and all chattel paper, accounts, security deposits relating thereto, including the Railcar Master Lease Agreement, dated as of January 26, 2006, between Everest Railcar Services, Inc and Sand Springs Railway Company (Railcar Master Lease No. SS-106) and Schedule No. 03, dated January 26, 2008, and (iii) all insurance and/or other proceeds thereof.

3. The Security Agreement shall be effective as of the date hereof.

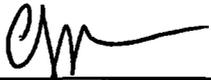
This Memorandum of Security Agreement may be executed in any number of counterparts, each executed counterpart constituting an original, but all together only one Memorandum of Security Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, each of the parties hereto has caused this Memorandum of Security Agreement to be executed by its duly authorized officer as of the date first above written.

SECURED PARTY:

UNITED BANK AND TRUST

By: 

Name: Clinton Ryan
Title: AVP Commercial Lending

DEBTORS:

EVEREST RAILCAR SERVICES, INC

By: 

Name: Steven J. Hendricks
Title: President

STATE OF ARKANSAS)
) ss:
COUNTY OF WASHINGTON)

On this day 21st of January, 2008, before me Clinton Ryan Notary Public, personally appeared Steven J. Hendricks, to me personally who being by me duly sworn, says that he/she is an authorized representative **Everest Railcar Services, Inc.**, that the forgoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his/her free act and deed.



Notary Public

My commission expires:



STATE OF ARKANSAS)
) ss:
COUNTY OF WASHINGTON)

On this day 21st of January, 2008, before me Cheryl Thomas Notary Public, personally appeared Clinton Ryan, to me personally who being by me duly sworn, says that he/she is an authorized representative **United Bank and Trust**, that the forgoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his/her free act and deed.



Notary Public

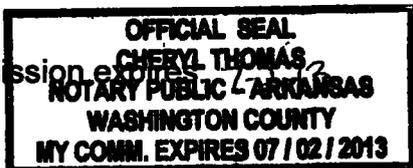
My commission expires: _____
[Seal]  Notary Public

EXHIBIT A
Car List and ID Numbers

<u>Original Initial</u>	<u>Original Number</u>	<u>New Initial</u>	<u>New Number</u>
CEFX	33213	SFS	500
CEFX	33214	SFS	501
CEFX	33215	SFS	502
CEFX	33216	SFS	503
CEFX	33220	SFS	504
CEFX	33221	SFS	505
CEFX	33222	SFS	506
CEFX	33225	SFS	507
CEFX	33232	SFS	508
CEFX	33233	SFS	509
CEFX	33234	SFS	510
CEFX	33236	SFS	511
CEFX	33242	SFS	512
CEFX	33252	SFS	513